



Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

**Matter of:** Marann Inventories, Inc. d/b/a Inventory  
Accounting Service

**File:** B-237467

**Date:** January 22, 1990

---

### DIGEST

Correction of bid displacing a lower bidder is not permitted unless the existence of the mistake and bid intended are substantially ascertainable from the invitation and bid itself. Where bid for services contains identical prices for monthly unit and extended yearly prices, and the only reasonable interpretation of the bid is that yearly prices were correct, agency properly allowed correction.

---

### DECISION

Marann Inventories, Inc., d/b/a Inventory Accounting Service (Marann), protests the decision of the Department of Veterans Affairs (VA) to permit correction of a bid by Consulting Program Management Services, Inc. (C.P.M.S.), the apparent low bidder. We deny the protest.

The VA issued invitation for bids (IFB) No. D93-6-90 for inventory accounting services for a base year and two option years. Bidders were required to insert a monthly price and yearly price for each year. Bidders also were required to indicate an aggregate price. C.P.M.S. submitted the apparent low total price of \$151,674. However, for the same services, its monthly unit prices were identical to its yearly extended prices. After reviewing the bids and other bids submitted, the agency concluded that since the yearly extended prices added up to the 3-year total price submitted by C.P.M.S., the yearly prices were accurate and the per month prices were in error. The contracting officer determined that the error was clear from the face of the bid because if the monthly price was the intended bid, when that price was extended for 3 years, the result would be a bid of \$1.8 million, \$1.6 million higher than any other bid and clearly an unreasonable price for the work. The contract was awarded to C.P.M.S. at \$151,674. This protest followed.

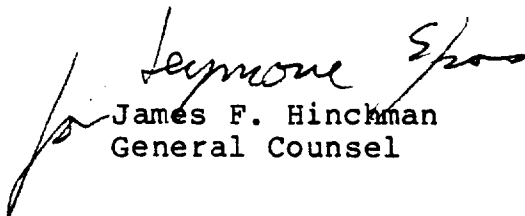
047519 / 140436

Marann basically contends that the error was not clear from the bid, that the bid is susceptible of two interpretations based on the awardee's identical pricing of the monthly and yearly prices and that the bid should have been rejected. We disagree.

The Federal Acquisition Regulation (FAR) generally provides for correction of mistakes disclosed before award; however, if correction would result in displacing one or more lower bids, such a determination may not be made unless the existence of the mistake and the bid actually intended are ascertainable substantially from the invitation and the bid itself. FAR § 14.406-3 (FAC 84-12). Accordingly, we have permitted correction of a unit price to correspond to an extended total price where it was clear that the total price represented the only reasonable interpretation of the bid. See East Bay Auto Supply, Inc., B-192012, Sept. 5, 1978, 78-2 CPD ¶ 170; Value Precision, Inc., B-191563, Aug. 7, 1978, 78-2 ¶ CPD 97.

Here, assuming the monthly prices were correct, as the protester argues, the awardee's total price would be grossly out of line with other bids received and, as the agency concluded, clearly unreasonable for the work solicited. Thus, we think the error was obvious on the face of the bid and that the intended bid was ascertainable by reference to the extended yearly prices which were in line with other bids. In these circumstances, the contracting officer reasonably concluded that the bid was susceptible of only one interpretation and properly allowed correction.

The protest is denied.

  
James F. Hinckman  
General Counsel